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Amendment No. I
Contract No. PO-660

Eastman Kodak Company
Rochester, New York

Gentlemen:

Please refer to Definitive Contract No. PO-660 dated 20 September 1956, between the U. S. Government and Eastman Kodak Company.

Pursuant to the provisions of PART VIa(2) entitled "Repricing" of the Schedule, Contract No. PO-660 is hereby amended as follows:

"APPENDIX III attached hereto is added to the contract. Said APPENDIX is entitled "Contract Rate for Period ~~10~~ July 1956 through 30 December 1956".

As the result of the above addition, PARTS II, III, IV, V, and VI of the Schedule of the contract are deleted in their entirety and the following PARTS are substituted therefor:

"PART II - PERFORMANCE OF SERVICES

a. The extent and character of the work to be done by the Contractor under this contract shall be subject to the general supervision, direction, control and approval of the Contracting Officer or his authorized representative, to whom the Contractor shall report and be responsible. In the event there should be any dispute with regard to the extent and character of the work to be performed, the matter shall be determined as provided in General Provision 8, DISPUTES.

b. The Contractor agrees to furnish sufficient personnel of the labor categories specified in APPENDIXES I, II and III hereof, as well as supervisory and administrative personnel to assure successful prosecution of the work.

c. All operations under the terms of this contract will be done in an efficient and workmanlike manner and by qualified personnel of the Contractor's organization who are thoroughly familiar with the type of work being performed.

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NO CHANGE IN CLASS. ☒
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d. Services required by the Contractor and performed by the Contractor's personnel of the labor categories specified in APPENDIXES I, II and III will be considered Direct Labor under this contract.

"PART III - FURNISHING OF MATERIALS

Materials and supplies, other than those to be furnished by the Government, required for performance of the above operations and to maintain the processing plant in good repair shall be furnished by the Contractor.

"PART IV - RELATED WORK AND SERVICES

In addition to the services and supplies to be provided above, the Contractor will perform such other work and services as may be requested by the Contracting Officer or his authorized representative and agreed to by the Contractor, which are necessary to ensure timely performance of the contract work.

"PART V - CONSIDERATION AND PAYMENT

a. There has been allotted for this contract the amount of \$175,000 for the period from 1 October 1955 to 30 June 1956. The total amount payable to the Contractor under this contract for that period shall not exceed this amount without written authorization from the Contracting Officer. The Contractor is authorized to expend or obligate in furtherance of its performance hereunder, an amount not to exceed \$500,000 during that portion of the extended contract period commencing 1 July 1956 and ending 31 December 1956. Additional sums may be authorized for expenditure hereunder from time to time during the term of this contract to meet the requirements of the Government.

b. In accordance with the clause of this contract entitled "PAYMENTS", the Contractor shall be paid as follows:

(1) For work and services performed by the Contractor's personnel of the labor categories set forth in APPENDIXES I, II, and III, the Contractor shall be paid the applicable hourly rates stated in the column entitled "Contract Hourly Rate", in APPENDIXES I, II, and III for each Direct Labor Hour of work or services actually performed hereunder by such personnel. The time of non-productive personnel will not be included in direct labor, and the Contractor agrees that only direct labor of its personnel of the labor categories designated in APPENDIXES I, II, and III engaged in the work called for by this contract will be included in its billings hereunder.

(2) For materials and supplies furnished by the Contractor under this contract the Contractor shall be reimbursed at actual cost plus an amount for General and Administrative expense determined by applying the appropriate percentage rate of G & A Expense shown in APPENDIXES I, II and III to the actual cost of such materials and supplies. Materials and supplies withdrawn from the Contractor's stock for use on this contract may be charged at prices determined by the Contractor's established method of pricing for its other business. No amount representing profit shall be added to the cost or price of supplies or materials furnished under this contract.

(3) For related work and services performed hereunder by the Contractor, payment shall be made in accordance with Paragraph (d) of Clause 4, PAYMENTS, of the General Provisions.

c. It is hereby agreed that the "Contract Hourly Rates" as specified in APPENDIXES I, II, and III are based on the average accounting rates used for Contractor's employees directly engaged in the performance of work under this contract and include all applicable overhead, General and Administrative Expense and Profit. In the event overtime work is determined to be necessary for the performance of the work and is specifically authorized by the Contracting Officer or his authorized representative, it is understood and agreed that the premium portion of any such overtime pay shall be charged ~~to overhead~~ in accordance with the Contractor's established accounting practices. *S.S.S.*

"PART VI - REPRICING"

a. In view of the fact that the Contractor's overhead and general and administrative expense rates are revised from time to time based on cost studies performed every Kodak Calendar Year by the cognizant audit agency of the Department of Defense, the "Contract Hourly Rates" set forth in APPENDIXES I, II and III and the "General Administrative Expense Rate" referred to in PART V b.(2) above, and set forth in APPENDIXES I, II, and III are also subject to revision, as follows:

(1) The "Contract Hourly Rates" and the General and Administrative Expense Rate shall be fixed as shown in APPENDIX I for the period from the inception of this contract to 25 December 1955, and as shown in APPENDIX II from ~~26~~ December 1955 to 9 July 1956, and as shown in APPENDIX III from ~~10~~ July 1956 through *S.S.S.* 30 December 1956, and shall apply provisionally thereafter until new overhead and general and administrative expense rates have been negotiated between the Contractor and the cognizant audit agency for Kodak Calendar Year 1957. Based on these new overhead and

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general and administrative expense rates, new fixed "Contract Hourly Rates" and General and Administrative Expense Rate", for the same period of time, shall be negotiated for incorporation into this contract by an amendment hereto.

(2) The "Contract Hourly Rates" may also be revised from time to time to reflect wage and salary rate adjustments in any or all of the labor categories stated in APPENDIXES I, II, and III which may result from any general plant wage and salary range adjustment established by the Contractor.

b. Any failure on the part of the parties hereto to agree to any such revisions shall be considered a dispute concerning a question of fact within the meaning of the article of this contract entitled DISPUTES. Pending settlement of such dispute, the Contractor shall diligently proceed with the performance of the subject work hereunder."

All other terms and conditions of Definitive Contract No. PO-660 remain unchanged.

Please indicate your receipt of this Amendment No. I to Definitive Contract No. PO-660 and your acceptance thereof by executing the original and two copies thereof. Return the fully executed original and one copy thereof to the undersigned and retain the remaining copy for your files.

Yours very truly,

THE UNITED STATES OF AMERICA

BY

Contracting Officer

Acknowledged and accepted
this 10th day of December, 1956.

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TITLE Vice-President

EASTMAN KODAK COMPANY

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